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Japanese Political Issues Present Dilemma For U. S.

Predictions of an election in Japan early in 1949 by which the present Yoshida cabinet, a conservative group, hopes to consolidate its position, gain significance in view of the present emphasis in American occupation policy on economic recovery rather than political reform. Mounting occupation costs have stimulated proposals to foster Japanese economic reconstruction.* The question is also asked whether political reconstruction has reached the point where American supervisory controls can safely be reduced.

Much of Japan's lively political activity since the war has consisted of maneuvers for advantage by individuals and small cliques, often with little relation to the issues of the day. Besides many minor ones four leading parties have emerged: the Democratic Liberals (Shigeru Yoshida's party) and the Liberals on the right, and the Social Democrats and Communists on the left.

Party Alignment

The Democratic Liberals and Democrats are slightly modified reincarnations of the Seiyukai and Minseito respectively, the two major prewar parties, which in 1940 were absorbed in Prince Konoye's totalitarian party, the Imperial Rule Assistance Association which is now dissolved. Both Seiyukai and Minseito were conservative, frequently corrupt, and subservient to big business, especially the Zaibatsu. The adoption of new labels does not appear to have greatly altered their character. While professing devotion to

democratic ideals, both parties in the Diet have done what they could to water down reforms initiated by SCAP (Supreme Commander for the Allied Powers). The present Democratic Liberal Prime Minister, Mr. Yoshida, in 1946 assured Diet members that the new constitution represented merely "the old spirit and thoughts of Japan, expressed in different words." A Democratic ward leader recently compared General Hideki Tojo and other condemned war criminals to "Christ suffering on the cross." Yet Democratic Liberals and Democrats together won 52.4 per cent of the popular vote in the April 1947 Diet election, while an additional 17.8 per cent went to smaller parties, for the most part of an equally conservative character.

The Social Democrats, who received 26.2 per cent of the vote in 1947, stand but little left of center, despite their platform of moderate socialism. They are weakened by internal friction between a right wing which tends to favor co-operation with the conservatives, and a left wing which originally advocated co-operation with the Communists, but later abandoned the idea. The Communists are negligible in voting strength, having polled only 3.6 per cent of the vote in 1947, but are, as usual, vocal and energetic, and exercise considerable influence in the labor movement.

Japan's first popularly chosen postwar government, formed in May 1946, was headed by Yoshida and supported by Democratic Liberals and Democrats (then called Liberals and Progressives). In the election of April 1947 the Social Democrats made extensive gains but fell far

short of a Diet majority. Their leader, Tetsu Katayama, nevertheless formed a coalition cabinet including Democrats and People's Co-operatives, a smaller center party. A reshuffle of much the same elements in March 1948 produced a new cabinet headed by Hitoshi Ashida, Democratic party leader. This government resigned in October because of alleged corruption involving some of its members, as recently disclosed in a series of political scandals, and Yoshida again became Prime Minister, with a Democratic Liberal cabinet and the tacit support of the Democrats.

Government—Labor Conflict

The principal political contest in postwar Japan is not, however, in the field of party politics. Rather it is the conflict between the government and organized labor. Trade union membership now numbers 6,600,000, something like half of all nonagricultural labor. There are two large national federations—the General Federation of Japanese Trade Unions, controlled for practical purposes by the Social Democratic party, and the Congress of Industrial Unions, in which strong Communist influence is challenged by an anti-Communist faction. There are also many independent unions, including those of government employees—office, railway, and communications (postal, telegraph and telephone) workers, and teachers—in which, also, Communists and non-Communists contend for leadership.

To Japanese urban laborers mounting

*See *Foreign Policy Bulletin*, November 26, 1948.

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inflation has brought acute hardship, as successive wage increases have been absorbed by rising prices and the black market. Hence most labor disputes have revolved around the wage issue, although labor leaders—nearly all of whom are more or less Socialist in their thinking—also advocate various social reforms. But as SCAP has insisted and as many labor leaders recognize, lasting relief from the burden of inflation can come only through a concerted attack on the problems of the nation's economy as a whole; and for this all Japanese, labor included, look to the government.

The first Yoshida cabinet's efforts at economic reconstruction were so ineffectual as to bring a warning from General MacArthur, and to evoke credible charges that the government was deliberately going slow in the hope of securing American aid. The Katayama cabinet did make a genuine effort, not without prodding from SCAP, to enforce needed economic controls, with the result that the pace of inflation was somewhat slowed. But economic conditions are still critical, and whatever government holds power is blamed by the public. Japanese labor leaders, always politically minded, but also politically inexperienced, have tended to use the strike or strike threat as a political weapon. Government employees, whose wages have lagged behind those in private industry, have been especially active in this respect. Under such conditions it is not hard for Communist or other radical leaders to organize strike movements in which economic complaints cannot be easily disentangled from political grievances, and legitimate claims sifted from exaggerated ones.

Political Role of Labor

Organized labor has thus become a major factor in politics. A threatened general strike of government employees, although banned by SCAP on January 31, 1947, contributed much to the downfall of the first Yoshida cabinet. Labor at first

viewed the Katayama cabinet hopefully, but later became disillusioned, and the advent of the Ashida cabinet was greeted with a wave of "piston" strikes—intermittent local stoppages—by communications workers and others, which was checked by a MacArthur order of March 29, 1948. Unrest among government employees, however, continued to threaten the position of the cabinet. On July 22 General MacArthur issued a statement in which he not only condemned strikes by government employees—already illegal for government office workers—but stated that collective bargaining was not applicable in public service, although he indicated that an exception might be made for railway workers and other operating employees of publicly owned enterprises. This action precipitated the resignation of James S. Killen, chief of SCAP's Labor Division, who on November 19 told his fellow members of the American Federation of Labor that current SCAP policy, under the guise of a drive against communism, was stifling legitimate union activity and hence actually playing into the hands of Communists. The MacArthur statement was also protested by the Russian members of the Allied Council in Tokyo and the Far Eastern Commission in Washington.

The Ashida cabinet immediately issued a temporary ordinance banning collective bargaining by government employees—although not absolutely prohibiting their organization—and drafted permanent legislation along similar lines for submission to the Diet. The Yoshida cabinet inherited this project from its predecessor, and the bill was passed on December 1. Plans were also announced to increase the salaries of government employees. This may help to ease the situation, but will not erase the deep-seated hostility between organized labor and the present government. Labor regards Yoshida as an enemy, while Yoshida views the labor unions, if not as a subversive force, at least as an obstacle to his plans for attracting foreign

capital to Japan.

SCAP has sometimes been accused of backing reactionary elements in Japanese politics. It would perhaps be more accurate to say that SCAP, in the interests of stability, has tended to support whatever government was in power, that no strong progressive leadership has yet appeared, and that conservatives have in consequence largely monopolized public office. As regards labor, SCAP began by encouraging labor organization, then became alarmed at labor militancy and the danger of Communist domination of the labor movement, and directed its efforts to keeping labor within bounds and combating Communists. While counseling concessions to what it regarded as reasonable economic demands, SCAP has increasingly used its authority to repress actual or incipient strikes. Consequently, strikes and slowdowns have been a very minor factor in retarding Japanese economic recovery.

While the structural reforms introduced by the occupation have given Japan the framework of democratic government, political re-education is a longer process. The government of Japan is still in the hands of a group whose philosophy cannot be described as democratic, while the most effective opposition comes from a labor movement in which the more militant elements are under some degree of Communist influence. It is obvious, however, that jailing every Communist would not remove the underlying economic causes of labor unrest. Until economic conditions improve, the danger of serious labor disturbances will remain. If the occupation were to withdraw in the near future, disorders would undoubtedly ensue, with a probable victory for the forces of reaction.

MIRIAM S. FARLEY

(The second of two articles on current developments in Japan. Miss Farley, a former Research Associate of the American Institute of Pacific Relations, has also been a member of the SCAP staff in Japan.)

Aims Of Rio Pact Endangered By Army Coups

The Rio de Janeiro treaty of mutual defense in the Americas formally entered into effect on December 4, when Costa Rica became the fourteenth American Republic to deposit its ratification in the Pan American Union. Widely viewed as a model for the projected North Atlantic Defense pact, this treaty obliges the signa-

natories to consult together in the event that an attack is launched on any country inside the Western Hemisphere security zone. A complementary measure is the Truman Military Co-operation bill of 1946 on which the Eightieth Congress failed to act. If this plan to supply arms and coordinate the general staffs and military

training of the Americas should be revived, the new Congress will be faced with a decision seriously affecting the political future of the twenty Latin American countries. One of the most cogent objections to the arms unification plan is that it may encourage the tendency to return to unadorned military dictatorships

in the southern continent. If the United States, by enacting such a measure, were to make it any easier for Latin Americans to attribute to this country a share in responsibility for their repressive and unpopular governments in the years just ahead, it will also have furnished ammunition to the Communist movement in Latin America. A report from Cuba that the Communist leadership plans in 1949 to call a conference of all Latin American groups, which are interested, regardless of political affiliation, in "peace and democracy," indicates that such a tactic is anticipated.

Army's Role

In Latin America the army constitutes the ultimate source of political power, and within recent weeks the military have wielded a clean broom in the public affairs of two Latin American countries. On October 29 the Bustamante government in Peru was swept out by General Manuel Odría,* and on November 24 the Venezuelan administration headed by Rómulo Gallegos capitulated to a military clique led by Lieut. Col. Carlos Delgado Chalbaud. In both these countries reform-minded governments arose just after the war with the aid of the army, or at least without its active opposition. Now the army has in effect taken back what it gave away.

The three-man military junta which seized power in Venezuela had led the brief but bitter struggle of 1945 that unseated the Medina Angarita government and put the leftist Democratic Action party in power. It is noteworthy that it then retired and left its civilian collaborator, Rómulo Betancourt, to form a provisional government. Under its auspices a new constitution was promulgated and Presidential elections were held, in which opposition parties participated freely, and an unprecedented number of Venezuelan men and women, both educated and illiterate, went to the polls. The resulting Gallegos government, however, was composed predominantly of men who had considerable intellectual ability but little administrative experience. Plagued by actual or rumored threats of revolution, it was forced several times to take the unpopular step of setting constitutional guarantees aside. It proved unable to cope with Venezuela's "hard-cash" inflation, and its tax and labor policies earned it enemies among

business groups. Ex-President Gallegos, interviewed in Havana on December 5, also implied that the resentment of the foreign-owned oil companies over the new 50 per cent profits tax encouraged the army to depose his government. The army claimed, on the other hand, that the incompetent, arbitrary and unrepresentative character of the Gallegos government impelled it to ask for cabinet positions, and, when these were denied, forced it to take power.

Foreign Intervention?

Throughout the continent, however, considerable credence is given to the rumor that the Peruvian and Venezuelan coups represent something more sinister than the familiar military grab for power. In the first week of November the Chilean government moved to shake up the high army and air force commands after discovering a plot hatched by former President Carlos Ibáñez and General Ramón Vergara, one-time commandant of the air force. President González Videla expressly connected "foreign elements" with this conspiracy, and on December 3 Foreign Minister Germán Riesco revealed that the Argentine government had been asked to withdraw the First Secretary of its embassy in Santiago. The liberal press of countries as far apart as Chile and Colombia believes that these developments represent, as *El Tiempo* of Bogota stated in an editorial on November 25, "a concerted plan, in the nature of a continental

conspiracy" inspired from Buenos Aires. Writing from the Argentine capital on December 3, the *New York Times* correspondent, Milton Bracker, stated that several Latin American Presidents had made "the possibly deliberate suggestion" to him that President Perón was seeking to create trouble in the countries surrounding Argentina, but added emphatically that formal substantiating evidence was completely lacking. Possibly in order to allay these real or fancied suspicions, President Perón went on the air December 3 to give the peoples of the world the message that "the Argentine nation has a peaceful record."

Under prevailing conditions, however, it is unnecessary to seek a deeper explanation of military intervention in Peru and Venezuela today, or Bolivia and Guatemala tomorrow, than that given by President González Videla himself. In countries torn by economic instability and social protest, he declared on December 3, the extreme Right "in fear and reaction . . . instinctively turns to the one force it has always regarded as supreme—the Army." One lesson, at least, can be drawn from the alarms and excursions, whatever their immediate cause may be, that are now sweeping the continent. Until the living conditions of the people of Latin America are improved, they will be susceptible to extremist doctrines of all kinds, and a security asset to the West of dubious value.

OLIVE HOLMES

FPA Bookshelf

The Masquerade in Spain, by Charles Foltz, Jr. Boston, Houghton Mifflin, 1948. \$4.00

A reporter with many years of residence in Spain gives highly readable program notes on the Spanish drama, with the oligarchy as chief protagonist. Franco's fall, he claims, can be brought about by continuing the policy of excluding Spain from Marshall plan benefits, but he does not answer the question whether the oligarchy, which tolerated Franco, will permit a genuinely popular regime to succeed him. An excellent bibliography is included.

Freedom and Order, by Anthony Eden. Boston, Houghton Mifflin, 1948. \$5.00

These selected speeches, 1939-1946, by Mr. Eden constitute a permanent record of diplomatic events observed and analyzed, and make clear his stand as an uncompromising realist. The former British Foreign Secretary believes that a world society must be accepted and enforced for the purpose of reconciling freedom and order, and thus avoiding war.

Home from the Cold Wars, by Leslie Roberts. Boston, Beacon Press, 1948. \$2.50

A Canadian newspaper correspondent who has recently visited Europe, including Russia and Czechoslovakia, gives some forthright and com-

mon sense advice to both "Uncle Sam" and "Uncle Joe" from the point of view of the citizen of a small country that would suffer from a collision between the two superpowers. In his opinion, the future of the world and of freedom hinges not on the outcome of the Russo-American clash but on the leadership the United States will exert in the years immediately ahead.

Hate, Hope and High Explosives, by George Fielding Eliot. New York, Bobbs-Merrill, 1948. \$2.75

A quick journalistic look at the Middle East, sometimes superficial but often discerning, especially when the author describes aspects of a troubled and complex area which touch upon American military power and policy.

International Politics—The Destiny of the Western State System, by Frederick L. Schuman. 4th Edition. New York, McGraw-Hill, 1948. \$5.50

Frederick L. Schuman, Woodrow Wilson Professor of Government at Williams College, in the new edition of this standard textbook brings his analysis up to January 1948. The extensive selection of documents and bibliographic materials makes this a useful reference work, while the author's trenchant analyses of the nature of the

*See *Foreign Policy Bulletin*, August 27, 1948.

"cold war" and contemporary power politics, together with his inclusion of relevant insights drawn from related fields such as sociology, psychology and anthropology, are stimulating for the thoughtful reader.

Yearbook of International Organizations, 1948, edited by Marcel Menchoz and René-Henri Wust. New York, Stechert-Hafner, 1948. \$9.

A guide, in both French and English, to international organizations, from the United Nations and its specialized agencies to such nongovernmental institutions as the International Commission for Zoological Nomenclature and the Com-inform.

An Encyclopedia of World History, by William L. Langer. Boston, Houghton Mifflin, 1948. \$7.50

Dr. Langer has enlarged and revised the 1940 edition of this valuable encyclopedia to include events from 1940 to 1946. It remains an indispensable reference work, both for dates and digests of events.

Joseph Goebbels: The Devil's Advocate, by Curt Riess. New York, Doubleday, 1948. \$3.95

A former German journalist presents a clear-cut picture of Hitler's Propaganda Minister. Drawing on interviews with the people closest to Goebbels and on heretofore unpublished material, he throws new light on "the devil's advocate."

The Swiss Without Halos, by J. Christopher Herold. New York, Columbia University, 1948. \$3.75

A "polyhedral paradox" is Mr. Herold's picture of Switzerland. He scrutinizes the Swiss scene with a critical eye, seeking to dispel some of the current ideas, that he believes to be largely wrong, about this nation.

We're All in It, by Eric Johnston. New York, Dutton, 1948. \$2.75

The president of the Motion Picture Association of America, who had previously served as president of the United States Chamber of Commerce, views the struggle between this country and Russia with intelligent realism, and urges the United States to make itself invincible at home by correcting economic and social maladjustments. Abroad he suggests that Americans extend democratic capitalism by two methods—more active labor leader participation in foreign policy and "partnership capitalism."

Education in a Divided World, by James B. Conant. Cambridge, Harvard University, 1948. \$3.00

The president of Harvard University analyzes the part played by public education in helping to build the structure of American society, and contends that its development in the future along constructive lines will assure this country's survival in a prolonged period of armed truce with Russia. Educational philosophy in his opinion, must be part and parcel of a comprehensive social philosophy.

Lands of the Dawning Tomorrow, by Carleton Beals. New York, Bobbs Merrill, 1948. \$4.00

A controversial but provocative survey of Latin America's problems and prospects for realizing its "future," containing some inaccuracies, many insights, and much sympathy for the situation of our Latin American neighbors.

Branch and Affiliate Meetings

ROCHESTER, December 11, *Community Institute*, Vera M. Dean, Francis Russell, Sumner Welles; J. Robert Oppenheimer, Maj. Gen. Gordon Philip Saville

ST. PAUL, December 11, *Pakistan — Its Origin and Future*, N. O. A. Baig

BETHLEHEM, December 14, *China's Crisis*, Gunther Stein, William Hung

HOUSTON, December 14, *U.S. Stake in Germany*, Geoffrey Lewis

UTICA, December 14, *Behind the Bamboo Curtain*, Leonard Bertsch, E. C. Carter

NEW ORLEANS, December 15, *World Federation*, Cord Meyer, Jr., Mrs. L. Y. Chapman, Lionel J. Bourgeois, John M. Wisdom

OKLAHOMA CITY, December 15, *U.S. Stake in Germany*, Geoffrey Lewis

SAN FRANCISCO, December 16, *Communist Political Tactics in China*, Robert North

News in the Making

A preliminary draft of a five-year industrial expansion plan for Asia was released on December 2 by the UN Economic Commission for Asia and the Far East which has been meeting in Australia. The plan calls for investment of the equivalent of U.S. \$13.6 billion, about half of which would be for China. The development of railroad and water transportation and of hydroelectric power bulk largest in the proposal. About 45 per cent of the capital required would be raised in the countries involved, the balance being sought elsewhere. . . . In the first half of 1948 Britain imported nearly £11.5 million of Russian goods, consisting almost entirely of grain, and exported £2.18 million of British goods, half of which was machinery, and £1.145 million of re-exports, mainly wool. Through most of 1948 Britain has been importing grain from Russia at the rate of 80,000 tons a month. Early in November it was announced in London that Britain had shipped 15,200 tons of narrow-gauge steel rails to the Soviet Union, and the remainder of 25,000 tons promised under the trade agreement of December 1947 was ready for shipment. . . . The adverse balance for Britain has been offset by Russia's trade elsewhere in the sterling area. For example, during the first eight months of 1948 Russia bought 56,143 tons of Malayan rubber. . . . The Committee of Good Offices of the UN Security Council on December 2 reported that six months of stalemate in negotiations for settlement of the Dutch-Indonesian controversy have resulted in a situation where violence is likely to break out again in renewed fighting. . . . Some encouragement may be gleaned, however, from the announcement on November 21 at The Hague that a new delegation was leaving for the Dutch East Indies to conduct negotiations with the Republic of Indonesia. The Dutch delegation includes Dr. Derek U. Stikker, Netherlands Foreign Minister who had previously returned from Java where he had agreed with Indonesian Prime Minister Hatta on the general basis for a compromise.

PERON'S "GREATER ARGENTINA" AND THE UNITED STATES
by Olive Holmes
December 1 issue of
Foreign Policy Reports — 25 cents
Subscription \$5; to FPA members, \$4.

Latin America: Continent in Crisis, by Ray Josephs. New York, Random House, 1948. \$4.50

This is an informed and readable survey of recent developments in Cuba and the ten South American countries—grouped under a misleading title—by an experienced reporter who moved fast but left very little out of his diary account.

Battle for the Hemisphere: Democracy versus Totalitarianism in the Other Americas, by Edward Tomlinson. New York, Scribner, 1947. \$3.50

The veteran news analyst discusses fairly and dispassionately the problems of Communist penetration in Latin America and repression from the Right, as typified by Perón in Argentina, which he believes is equally dangerous. Only a strong middle class can combat these extremist movements, he concludes, and the United States must foster its growth through a "redeemed dollar diplomacy" encouraging American capital to go into partnership with Latin American capital.

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